

CITY OF RIVERSIDE

BOARD OF PUBLIC UTILITIES

Minutes of: Regular Meeting of the Board of Public Utilities

Date of Meeting: March 18, 2005

Time of Meeting: 8:20 a.m.

Place of Meeting: Utilities Operations Center (UOC)  
2911 Adams Street (at Adams and Lincoln Streets)  
Riverside, California

**PLEDGE OF ALLEGIANCE TO THE FLAG**

**Roll Call**

Present: Peter Hubbard (Chairman)	Jim Anderson (Vice Chair)
Bob Stockton	Joe Tavaglione
David Barnhart	Conrad Newberry, Jr., P.E.

Absent: Lalit Acharya (absence due to business)

**ELECTION OF PUBLIC UTILITIES BOARD OFFICERS**

- (A) Chair
- (B) Vice Chair

Board Member Barnhart motioned that Chair Peter Hubbard and Vice Chair Jim Anderson stay in their designated positions for another year.

Motion – Barnhart. Second – Newberry, Jr., P.E.

Ayes: Hubbard, Anderson, Newberry, Jr., P.E., Stockton, Tavaglione, and Barnhart.

Noes: None

Abstain: None

Absent: Lalit Acharya (absence due to business)

**PUBLIC UTILITIES BOARD COMMITTEE ASSIGNMENTS**

The Board members motioned to have the committee assignments to stay as they are at present for another year and to add the two new board members in May to a committee each. Also per staff's recommendation the Property Committee will not be an ad hoc committee but will become a standing committee to meet regularly and will change possibly board members but this recommendation will come back to the Board at a later date.

Motion – Anderson. Second – Tavaglione.

Ayes: Hubbard, Anderson, Newberry, Jr., P.E., Stockton, Tavaglione, and Barnhart.

Noes: None

Abstain: None

Absent: Lalit Acharya (absence due to business)

The following are the current committee assignments:

**(A) Electric Committee**

Jim Anderson (Chair)  
Lalit Acharya  
Conrad Newberry, Jr., P.E.  
New Board Member

**(B) Finance/Marketing Committee**

Peter Hubbard (Chair)  
Dave Barnhart  
Jim Anderson

**(C) Water Committee**

Dave Barnhart (Chair)  
Robert Stockton  
Joe Tavaglione  
New Board Member

**(D) Property Ad Hoc Committee**

Jim Anderson  
Conrad Newberry, Jr., P.E.  
Dave Barnhart

**MINUTES**

- (1) The "special" meeting minutes from the Board of Public Utilities meeting held on February 25, 2005 was approved as submitted.

Motion: – Anderson. Second: – Tavaglione

Ayes: Anderson, Barnhart, Stockton, Newberry, Jr., P.E., and Tavaglione.

Noes: None

Abstain: Hubbard

Absent: Lalit Acharya (absence due to business)

- (2) The regular meeting minutes from the Board of Public Utilities meeting held on March 4, 2005 was not submitted for approval and will be on the next agenda for approval.

## **CITIZENS PARTICIPATION**

No comments were made.

## **COMMITTEE REPORTS**

### **ELECTRIC COMMITTEE REPORT**

The Electric Committee meeting scheduled for March 9, 2005 was cancelled.

## **CONSENT CALENDAR**

A motion was made to approve the Item 4 on the Consent Calendar and to note that Item 3, **MOBILE SUBSTATION NO. 1 RECONDITIONING AND UPGRADE – WORK ORDER 0500956**, was pulled from the agenda by staff.

A motion was made to approve the following items on the Consent Calendar.

Motion: – Barnhart. Second: – Tavaglione

Ayes: Hubbard, Anderson, Barnhart, Stockton, Newberry, Jr., P.E., and Tavaglione.

Noes: None

Abstain: None

Absent: Lalit Acharya (absence due to business)

The Board of Public Utilities:

### **ELECTRIC ITEMS**

- (3) ~~**MOBILE SUBSTATION NO. 1 RECONDITIONING AND UPGRADE  
WORK ORDER 0500956**~~

~~Approve the estimated capital expenditure of \$150,000 to recondition and upgrade Mobile Substation No. 1~~

- (4) **THREE-PHASE 12 kV UNDERGROUND EXTENSION  
WORK ORDER 644109**

Approved the estimated capital expenditure of \$240,000 for the underground electrical facilities to serve Big 5 Distribution Center at 6125 Sycamore Canyon Box Springs Boulevards.

### **WATER ITEMS**

### **OTHER ITEMS**

This item was removed from the agenda by staff to be brought back to the Board at a later date.

## **DISCUSSION CALENDAR**

(5) **UPDATE ON WATER MASTER PLAN PRESENTED BY CONSULTANT MWH AMERICAS INC.**

Principal Water Engineer Kevin Milligan introduced the MWH Americas' speakers who presented the update on the Water Master Plan – Mr. David Ferguson, vice president, and Matt Wong, senior engineer. (hard copy of the presentation is on file in the Public Utilities Department)

The Board of Public Utilities received an oral report on the status of the Water Master Plan and preliminary recommendations for new capital facilities.

(6) **CREATING A RENEWABLES POSITION AND INTERNSHIP PROGRAM IN PUBLIC UTILITIES**

Public Utilities Director Dave Wright reported to the Board the importance of implementing a comprehensive internship program to identify and develop quality candidates for employment and reassigning an existing position to focus solely on renewable resources (80 percent Public Utilities and 20 percent City-wide) to improve Riverside's reputation as a "green city".

Board Members suggested that staff get the students while they are in their sophomore or junior year instead of senior year and to rotate their internship each year to a different field division so they can broaden their insight of the utility field.

The Board of Public Utilities approved and recommended that the City Council:

1. Approve creation of an internship program in the Public Utilities Department;
2. Approve four full time equivalent Technical Intern positions in the Public Utilities Department;
3. Approve the creation of a Renewable Resources Coordinator to concentrate on renewable resources; and
4. Eliminate the position of Principal Programs and Services Representative in the Programs and Services division of the Public Utilities Department.

Motion: – Anderson. Second: – Tavaglione

Ayes: Hubbard, Anderson, Barnhart, Stockton, Newberry, Jr., P.E., and Tavaglione.

Noes: None

Abstain: None

Absent: Lalit Acharya (absence due to business)

(7) OVERHEAD TO UNDERGROUND SURCHARGE

Assistant Director /Energy Delivery Steve Badgett presented the proposal that a two percent surcharge be added to the electric bill to pay for increased undergrounding efforts at a level of approximately \$4 million per year because the Electric Utility does not have adequate funding to meet requests to convert overhead electric utility lines to underground. Mr. Badgett also presented before/after pictures of overhead to underground projects.

Director Dave Wright stated that there would be community presentations regarding this surcharge to get public feedback.

Board Member Anderson and Stockton were concerned about the Planning Ordinance and Director Dave Wright commented that staff would have the Planning Department come and update the Board on the ordinance so the Board can make comments.

Public Comment – Mary Humbolt, 7407 Dufferin, commented that she was in favor of this program. Ms. Humbolt was concerned about undergrounding annexations and that the existing customers would have to pay and she felt that was not fair. She suggested the following:

- Developers pay for the annexations' undergrounding
- Put Victoria Avenue first for undergrounding
- Surcharge annexation new homes \$100 for undergrounding

The Board of Public Utilities recommended:

1. A 2 percent Undergrounding Surcharge to electric customers of Riverside Public Utilities and instructed staff to hold the necessary public hearings to implement the surcharge;
2. Use the receipts from the Undergrounding Surcharge to support existing and future Electric Utility undergrounding efforts;
3. Create an Undergrounding Review Committee to determine prioritization of projects funded by the surcharge; and
4. Set aside 25 percent of funds per year for undergrounding projects that Utility staff determines as needed for reliability improvement or other capital work.

The Board of Public Utilities also recommended that staff do community presentations regarding the Overhead to Underground Surcharge and gather public feedback to present to the Board within 60 to 90 days to establish a public hearing date.

Motion: – Barnhart. Second: – Tavaglione

Ayes: Hubbard, Anderson, Barnhart, Stockton, Newberry, Jr., P.E., and Tavaglione.

Noes: None

Abstain: None

Absent: Lalit Acharya (absence due to business)

## **DIRECTOR'S REPORT**

- (A) Update on Evans Reservoir Seismic Rehabilitation – Project Alternatives
- (B) Financial Statements – January 2005
- (C) Open and Closed Work Orders – February 2005
- (D) Monthly Benchmark Report Cards – February 2005
- (E) Water Highlights – February 2005
- (F) Rolling Calendar Outlining Future Utility Projects as of March 11, 2005
- (G) City Council Agendas – March 8, 2005 and March 15, 2005

## **SYSTEMATIC REPORTING ON CONFERENCES / SEMINARS / BOARD MEETINGS**

### **CLOSED SESSION**

*The public left the meeting room so the Board could discuss Item 8 listed below and then reconvened for the workshop:*

### **CONFERENCE WITH LEGAL COUNSEL**

- (8) Pursuant to Government Code §54956.9 conferred with and/or received advice from legal counsel concerning City of San Bernardino v. United States of America, etal., U.S. Central District Court, CV 96-8867, CV 96-5205.

### **WORKSHOP**

*The workshop began at 10:30 a.m.*

Present: Peter Hubbard (Chairman)      Jim Anderson (Vice Chair)  
             David Barnhart                      Bob Stockton  
             Joe Tavaglione                        Conrad Newberry, Jr., P.E.

Staff: Dave Wright                      Donna Stevener  
         Dieter Wirtzfeld                   Eileen Teichert  
         Steve Badgett                      MJ Abraham  
         Jerry Buydos                        Kevin Milligan  
         William Obeid                      Cathy Ference  
         Reiko Kerr                           Gary Nolff  
         Pat Hohl                               Randy Tillman

Absent: Lalit Acharya. (absence due to business)  
         Joe Tavaglione (left the meeting at 10:50)

### **(9) LONG TERM STRATEGIC PLANNING WORKSHOP**

The Board of Public Utilities continued a workshop to discuss long-term strategic planning in Marketing/Customer Service Divisions. Public Utilities Director Dave Wright discussed specific issues facing these divisions. The following were the main areas of discussion:

Division Issues:

1. Provide a strong customer communication and education program
2. Enhance brand identity to assist in customer awareness
3. Provide conservation and efficiency programs
4. Utilize cost-effective technology wherever possible

Global Issues:

1. Make Riverside a better city
2. Ensure RPU remains healthy and successful
3. Be recognized as an industry leader
4. Attract, develop, retain quality employees

Board Members and staff agreed that in the future instead of using "marketing" use business development and instead of "LEED" use sustainable design.

**UPCOMING MEETING**

Chairman Peter Hubbard adjourned the meeting at 11:35 a.m. to the next regularly scheduled meeting of the Board of Public Utilities to be held on **Friday, April 1, 2005**, at **8:15 a.m.** at the **Utilities Plaza Conference Room located at 3460 Orange Street (at Fifth and Orange Streets) in Riverside, California.**

By: \_\_\_\_\_  
David H. Wright, Secretary  
Board of Public Utilities

Approved by: City of Riverside Board of Public Utilities

Dated: \_\_\_\_\_ April 1, 2005 \_\_\_\_\_